

FISCAL IMPACT STATEMENT ON BILL NO. **S. 1318**

(Doc. No. 12407ac06.doc)

TO: The Honorable Harvey S. Peeler, Chairman, Senate Medical Affairs Committee
FROM: Office of State Budget, Budget and Control Board
ANALYSTS: R.J. Stein, Bryce Wilson, Harry Bell
DATE: May 1, 2006 SBD: 2006198

AUTHOR: Senator Anderson PRIMARY CODE CITE: 44-7-2410
SUBJECT: Hospital Infections Disclosure Act

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

A Cost to the General Fund (See Below)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

\$0 (No additional expenditures or savings are expected)

BILL SUMMARY:

Senate Bill 1318 amends Chapter 7, Title 44 of the Code of Laws of South Carolina, 1976, by adding Article 20 requiring hospitals and ambulatory surgical facilities to report quarterly to the Department of Health & Environmental Control (DHEC) the occurrence of hospital-acquired or post-surgically acquired infections. The Bill requires DHEC to appoint an Advisory Committee and to publish annual reports. The Bill requires DHEC to publicize the availability of the annual report and to make it available to any person upon request.

EXPLANATION OF IMPACT:

Department of Health & Environmental Control (DHEC)

The Bill requires DHEC to establish a system for compiling infection data from various medical facilities and to coordinate the activities of an Advisory Committee. DHEC estimates that this new program would require 1.35 FTEs (1.00 Nurse Administrator, 0.20 Physician and 0.15 Applications Analyst). Personal Service costs (including Fringe Benefits) are estimated at \$119,738 and operating costs are estimated at \$24,518 annually. In addition, a one-time cost for office set-up is estimated at \$4,100. The total first year cost is estimated at \$148,356. The annual cost in succeeding years is estimated at \$144,256.

Medical University of South Carolina (MUSC)

MUSC estimates the impact of this Bill to be \$350,000 the first year and \$100,000 annually thereafter. The initial start-up cost would be for the hardware and software and the annual cost would be for the maintenance of the system as well as the accumulation and analysis of the data.

Department of Mental Health (DMH) and Department of Disabilities and Special Needs (DDSN)

The Bill requires the Departments to report figures on hospital-acquired infections to DHEC. This is not expected to require additional expenditures on the part of either DMH or DDSN.

Approved by:



Don Addy
Assistant Director, Office of State Budget